

October 2021

# Future new car market overview

Welcome to the latest version of our overview. Our aim is to bring you the best content and layout, making it easy to identify new and revised information. As always, any customer feedback would be appreciated: e-mail [dylan.setterfield@cap-hpi.com](mailto:dylan.setterfield@cap-hpi.com)

The content is structured as follows:

1. Forecast Changes
2. Market Conditions
3. Historic Forecast Accuracy
4. Forecast Methodology & Products
5. Sector Reforecast Schedule 2021/2022

## 1. Forecast Changes

### New model ranges added to our forecasts

Chevrolet Corvette, Ford Fiesta, Honda HR-V, Kia Pro Ceed, Lotus Emira, Mazda CX-5, Mercedes-Benz EQS, Vauxhall Astra and Volkswagen Taigo.

### Model ranges to which new derivatives have been added

Aston Martin DBS, DS DS9, Fiat 500, Fiat 500C, Fiat 500X, Jaguar XF, Land Rover Defender, Lexus RX, Volvo S60, Volvo S90, Volvo V60, Volvo V90, Volvo XC40, Volvo XC60 and Volvo XC90.

The overall average change in new car forecasts for ALL cars between September and October is approximately +2.5 % at 36/60, which is approximately +2.7% higher than the normal expectation of the seasonal change for full year forecasts at this time of year. This is a reflection of the large number of ranges reforecast through a combination of sector reviews and Interproduct reporting and also the average increases in forecast values for those vehicles (see below).

Details of all 36/60k forecast values revised by  $\pm 5\%$  can be found via the following link: [Monthly Reports](#)

### Sector reforecasts

This month, we publish new reforecasts for the City Car and Supermini sectors. (As mentioned previously, Electric Vehicles are now reforecast in conjunction with their associated body style sectors).

Similar to the SUVs reviewed over the past two months, the recent extreme increases in used values have prompted us to increase the deflation expectation over the next 12 months, as the strength seen this year is not expected to be repeated. This is also an increase in deflation for the second year of the forecast, before returning back to inflation in the third year (as lower new car registrations in 2020-21 result in significantly lower used car volumes from September 2023 onwards).

Average forecasts for City Cars and Superminis see an improvement of approximately +5.5% and +5.1% respectively for 3-year-old vehicles, with greater increases at 12 months (approx..

+9% for each sector) as the most recent increases in used values had rendered our previous 12 month positions unrealistic.

Diesels Superminis have increased by a similar amount to Petrol, with Hybrids increasing by less and minimal average increases for BEVs.

The overall impact of the changes to forecasts for this sector at 36/60k is shown below:

SIZE & FUEL TYPE	UNDERLYING FORECAST CHANGE	SEASONAL ELEMENT	OBSERVED CHANGE SEPTEMBER TO OCTOBER
City Car Electric (BEV)	0.7%	0.3%	1.0%
City Car Petrol	5.9%	0.3%	6.2%
Supermini Diesel	4.4%	0.6%	5.0%
Supermini Electric (BEV)	0.4%	0.7%	1.1%
Supermini Hybrid (HEV)	3.5%	0.7%	4.2%
Supermini Petrol	4.7%	0.7%	5.4%
Overall Average	4.6%	0.6%	5.2%

### Forecast changes this month

Once again we have renewed our extensive Interproduct review this month. Over 200 ranges (around 40% of current ranges) were considered, but in a small number of cases it was decided to make no changes to the forecasts.

Some of these ranges were already reforecast as part of the Interproduct exercise in recent months, but required re-assessing due to the magnitude of continued used value movements. In some of these cases there were no further changes to the 36-month position, but increases were made to the 12-month position in recognition of further strength in used values that is not expected to be sustainable beyond the 12-month point.

ABARTH 500/595/695 (09- )	CITROEN GRAND C4 SPACE TOURER (18- ) Diesel	MERCEDES-BENZ C CLASS (18- )	SEAT ARONA (17- )
ALFA ROMEO GIULIA (16- )	CITROEN SPACE TOURER (16- ) DIESEL	MERCEDES-BENZ C CLASS (18- ) DIESEL	SEAT ATECA (16- )
ALFA ROMEO GIULIA QUADRIFOGLIO (16- )	DACIA DUSTER (18- )	MERCEDES-BENZ C CLASS (19- ) DIESEL HYBRID	SEAT ATECA (16- ) DIESEL
ASTON MARTIN RAPIDE (10- )	DACIA DUSTER (18- ) DIESEL	MERCEDES-BENZ C CLASS (20- ) PETROL HYBRID	SKODA OCTAVIA (20- )
AUDI A3 (20- ) DIESEL	FIAT 500C (09- )	MERCEDES-BENZ C CLASS CABRIOLET (18- )	SKODA OCTAVIA (20- ) DIESEL
AUDI A4 (19- ) DIESEL	FIAT 500L (13- )	MERCEDES-BENZ C CLASS CABRIOLET (18- ) DIESEL	SKODA OCTAVIA (20- ) Hybrid
AUDI A5 CABRIOLET (19- )	FIAT 500X (18- )	MERCEDES-BENZ C CLASS COUPE (18- )	SKODA SUPERB (19- )
AUDI A5 COUPE (19- )	FIAT TIPO (16- )	MERCEDES-BENZ C CLASS COUPE (18- ) DIESEL	SKODA SUPERB (19- ) Hybrid
AUDI A6 (18- ) DIESEL	FIAT TIPO (16- ) Diesel	MERCEDES-BENZ CLA CLASS COUPE (19- )	SKODA SUPERB (19- ) Hybrid
AUDI A7 (18- ) DIESEL	FORD ECOSPORT (17- )	MERCEDES-BENZ CLA CLASS COUPE (19- ) DIESEL	SSANGYONG REXTON (17- ) DIESEL
AUDI A8 (17- )	FORD FOCUS (18- )	MERCEDES-BENZ CLA CLASS COUPE (19- ) DIESEL	SUBARU OUTBACK (15- )
AUDI A8 (17- ) DIESEL	FORD FOCUS (18- ) DIESEL	MERCEDES-BENZ CLS (18- ) DIESEL	SUZUKI IGNIS (16- )
AUDI A8 (19- ) HYBRID	FORD GALAXY (19- ) DIESEL	MERCEDES-BENZ E CLASS (16- ) DIESEL	SUZUKI S CROSS (13- )
AUDI Q2 (16- )	FORD GRAND TOURNEO CONNECT (13- ) DIESEL	MERCEDES-BENZ E CLASS (16- ) Petrol Hybrid	SUZUKI VITARA (18- )
AUDI Q2 (16- ) DIESEL	FORD MONDEO (18- ) DIESEL	MERCEDES-BENZ E CLASS (18- )	TESLA MODEL 3
AUDI S4 (19- ) Diesel	FORD MONDEO (18- ) DIESEL	MERCEDES-BENZ E CLASS (18- ) DIESEL HYBRID	TESLA MODEL S (19- )
AUDI S6 (19- ) Diesel	FORD MONDEO (18- ) DIESEL	MERCEDES-BENZ E CLASS CABRIOLET (17- )	TOYOTA COROLLA (18- ) Hybrid
AUDI TT (18- )	FORD MONDEO (18- ) DIESEL	MERCEDES-BENZ E CLASS CABRIOLET (17- ) DIESEL	TOYOTA PROACE VERSO (16- ) DIESEL
AUDI TT ROADSTER (18- )	FORD PUMA (19- )	MERCEDES-BENZ E CLASS COUPE (16- )	VAUXHALL COMBO LIFE (18- )
BENTLEY FLYING SPUR (19- )	FORD S-MAX (19- ) DIESEL	MERCEDES-BENZ E CLASS COUPE (16- ) DIESEL	VAUXHALL COMBO LIFE (18- ) Diesel
BENTLEY MULSANNE (10- )	FORD S-MAX (21- ) Hybrid	MERCEDES-BENZ E CLASS COUPE (16- ) DIESEL	VAUXHALL CROSSLAND X (17- )
BMW 1 SERIES (19- )	FORD TOURNEO CONNECT (13- ) DIESEL	MERCEDES-BENZ S CLASS CABRIOLET (16- )	VAUXHALL CROSSLAND X (17- ) DIESEL
BMW 1 SERIES (19- ) DIESEL	HONDA CIVIC (16- )	MERCEDES-BENZ S CLASS CABRIOLET (16- )	VAUXHALL GRANDLAND X (17- )
BMW 2 SERIES ACTIVE TOURER (14- )	HYUNDAI I30 (17- )	MERCEDES-BENZ S CLASS COUPE (14- )	VAUXHALL GRANDLAND X (17- ) DIESEL
BMW 2 SERIES ACTIVE TOURER (14- ) DIESEL	HYUNDAI I30 (17- ) DIESEL	MERCEDES-BENZ V CLASS (19- ) DIESEL	VAUXHALL GRANDSPORT (20- )
BMW 2 SERIES ACTIVE TOURER (15- ) PETROL HYBRID	HYUNDAI KONA (19- ) Hybrid	MERCEDES-BENZ V CLASS MARCO POLO (19- ) DIESEL	VAUXHALL INSIGNIA GRANDSPORT (20- ) DIESEL
BMW 2 SERIES COUPE (13- )	HYUNDAI TUCSON (18- )	MG MOTOR UK MG 5 (20- ) Electric	VOLKSWAGEN ARTEON (17- )
BMW 2 SERIES GRAN COUPE (19- )	HYUNDAI TUCSON (18- ) DIESEL	MG MOTOR UK ZS (19- ) Electric	VOLKSWAGEN ARTEON (17- ) DIESEL
BMW 2 SERIES GRAN TOURER (15- )	JAGUAR E-PACE (17- )	MINI CONVERTIBLE (18- )	VOLKSWAGEN ARTEON (20- ) Hybrid
BMW 2 SERIES GRAN TOURER (15- ) DIESEL	JAGUAR E-PACE (17- ) DIESEL	MINI COUNTRYMAN (17- )	VOLKSWAGEN CADDY LIFE (20- ) DIESEL
BMW 3 SERIES (18- )	JAGUAR F-PACE (20- )	MINI COUNTRYMAN (17- ) HYBRID	VOLKSWAGEN PASSAT (19- )
BMW 3 SERIES (18- ) DIESEL	JAGUAR F-TYPE (19- )	MITSUBISHI ECLIPSE (17- )	VOLKSWAGEN PASSAT (19- ) DIESEL
BMW 3 SERIES (19- ) HYBRID	JAGUAR F-TYPE CONVERTIBLE (19- )	MITSUBISHI OUTLANDER (18- )	VOLKSWAGEN PASSAT (19- ) PETROL HYBRID
BMW 4 SERIES COUPE (20- )	JAGUAR XE (19- ) DIESEL	MITSUBISHI OUTLANDER (18- ) HYBRID	VOLKSWAGEN SHARAN (10- )
BMW 4 SERIES COUPE (20- ) DIESEL	JAGUAR XF (15- )	NISSAN eNV200 (14- )	VOLKSWAGEN TOURAN (15- )
BMW 4 SERIES GRAN COUPE (14- )	JAGUAR XF (15- ) DIESEL	NISSAN LEAF (17- )	VOLKSWAGEN TOURAN (15- ) DIESEL
BMW 5 SERIES (16- )	KIA NIRO (19- )	PEUGEOT 3008 (16- )	VOLKSWAGEN T-ROC (17- )
BMW 5 SERIES (16- ) DIESEL	KIA STONIC (17- )	PEUGEOT 3008 (16- ) DIESEL	VOLKSWAGEN T-ROC (17- ) Diesel
BMW 5 SERIES (17- ) HYBRID	LAND ROVER DISCOVERY SPORT (19- ) DIESEL	PEUGEOT 308 (13- )	VOLVO S60 (19- )
BMW i3 (13- )	LAND ROVER RANGE ROVER VELAR (17- )	PEUGEOT 308 (13- ) DIESEL	VOLVO S60 (19- ) Hybrid
BMW Z4 ROADSTER (18- )	LAND ROVER RANGE ROVER VELAR (17- ) DIESEL	PEUGEOT 5008 (17- )	VOLVO S90/V90 (16- ) DIESEL
CITROEN BERLINGO MULTISPACE (18- )	LEXUS LC COUPE (17- ) PETROL HYBRID	PEUGEOT RIFTER (18- ) Diesel	VOLVO S90/V90 (17- )
CITROEN BERLINGO MULTISPACE (18- ) DIESEL	MERCEDES-BENZ A CLASS (18- )	PEUGEOT RIFTER (18- ) Petrol	VOLVO S90/V90 (17- ) HYBRID
CITROEN C3 AIRCROSS (17- )	MERCEDES-BENZ A CLASS (18- ) DIESEL	PEUGEOT TRAVELLER (16- ) DIESEL	VOLVO V60 (18- )
CITROEN C3 AIRCROSS (17- ) DIESEL	MERCEDES-BENZ AMG A CLASS (18- )	PORSCHE 911 [992] TURBO (20- )	VOLVO V60 (18- ) DIESEL
CITROEN C4 (20- )	MERCEDES-BENZ AMG C CLASS CABRIOLET (18- )	PORSCHE BOXSTER (16- )	VOLVO V60 (19- ) PETROL HYBRID
CITROEN C5 AIRCROSS (18- )	MERCEDES-BENZ AMG C CLASS COUPE (18- )	PORSCHE CAYMAN (16- )	VOLVO XC60 (17- )
CITROEN C5 AIRCROSS (18- ) Diesel	MERCEDES-BENZ AMG GT (14- )	RENAULT MEGANE (16- )	VOLVO XC60 (17- ) DIESEL
CITROEN GRAND C4 SPACE TOURER (18- )	MERCEDES-BENZ AMG GT COUPE (18- )	RENAULT MEGANE (16- ) DIESEL	VOLVO XC60 (17- ) HYBRID
	MERCEDES-BENZ B CLASS (19- )	ROLLS-ROYCE WRAITH (13- )	

**SEAT ATECA (2016-----)** Walk up relationships restored for upper trims following customer query, resulting in forecast increases.

**SEAT ATECA DIESEL (2016-----)** Walk up relationships restored for upper trims following customer query, resulting in forecast increases.

### Seasonality changes

In line with our gold book methodology, all other model ranges outside of the other changes listed above, have had their forecasts moved forward from month to month by seasonal factors which are differentiated by sector and fuel type and are based on analysis of historical used value movements.

## 2. Market Conditions

The continuing strength in used values is just bewildering. Consumer demand has stayed strong, resulting in record breaking increases in used values in recent months and has persisted for far, far longer than could reasonably have been expected. We are in a situation where retail prices for many used cars are priced above cost new and there are even cases where the trade value significantly exceeds list price. Retail prices have been increasing, but much more slowly than the trade, resulting in pricing headaches for dealers, especially for those cars already over cost new.

Several supply issues had already extended new car delivery lead times and the semi-conductor shortage suddenly got a lot worse in early September for reasons which are still not totally clear. This is likely to have a knock-on effect for several months to come, although additional capacity from new chip manufacturing plants now open in Germany and Austria will mitigate the impact at some stage.

The shortage of new car supply, combined with fewer trade-in vehicles and delayed fleet replacements have contributed to the record strength in values, as many drivers and fleet

managers are also running cars for longer due to lower mileage through the pandemic. The government's additional support for business is now coming to an end, but the anticipated negative economic impacts have undoubtedly been reduced by the extensions to the various schemes. Further lockdowns now seem unlikely, although concerns remain regarding new variants (in particular, the "AY3" version of the delta variant, which may be more vaccine resistant).

In summary, our view is that:

- Although we expected the current strength in the used market to last for several more weeks and possibly to the end of the year, the magnitude of the increases in recent months has been hard to comprehend and is certainly not sustainable (around +29% increase in 36/60 values in the last 6 months). Retail days to sell continue to be just over half of what would be expected in a 'normal' market, resulting in demand for trade vehicles almost double typical levels. Our short-term forecast continues to show positive movements in each of the next 3 months of decreasing magnitude, but a market correction at some stage is inevitable.
- There are already plenty of cases where logical relationships have been broken and where nearly new used values are above list prices. These will resolve themselves in time, but values are not expected to go down as fast as they have increased. Clearly this may be accelerated if retail demand reduces and consumer attention moves elsewhere. Even if this is the case, however, we would still expect a gradual market adjustment over the next 12 months or so, rather than a 'mirrored' fall.
- The used value increases on some models have effectively set a new market and may not return to previous levels, but even in these cases we have tended to apply significant negative editorial adjustments during our Interproduct reviews. Although there has been an improvement in retail pricing in recent weeks, some dealers still have not increased prices on aged stock and the 'two tier' retail market on some models makes it very challenging to determine how sustainable values are likely to be.
- The effects of the semi-conductor shortage are many and varied and seem to be changing every week. In many cases, the news from OEMs changes every time we have the discussion and even those who not expecting any significant impact now seem to be significantly affected. In many cases there are derivative specific impacts within the same model, with complex decisions regarding production allocation being reviewed on a daily basis. There are also several other supply issues exacerbating the situation and predictions from individual brands for the remainder of the year still vary considerably.
- A significant factor currently contributing to lower levels of fleet returns is still fleet managers and drivers running cars for longer, due to lower mileage during the pandemic. These cars will return to the used market at some stage and we are factoring this into the phasing of our deflation assumptions for sector reviews.
- One-year-old vehicles will remain in relatively short supply for the foreseeable future, and the longer the current new car supply issues persist, the longer there will be a shortage. However, once leadtimes for the majority of models reduce, it is expected that consumers will once again hold out for the new car. However, despite the prolonged shortages of nearly new stock, the trend for some time has been for 3-year-old cars outperforming the 1-year-old market and they have not increased by as large a proportion and therefore adjustments are expected to be slightly less than for 3-year-old cars once the market settles. This is reflected in our recent forecasts.
- After the deflationary low point at the end of 2022, values will recover over the next couple of years as the economy and consumer confidence improves, and used

supply starts to reduce (helped significantly by the shortfall in new car registrations that we have been seeing over the past 18 months).

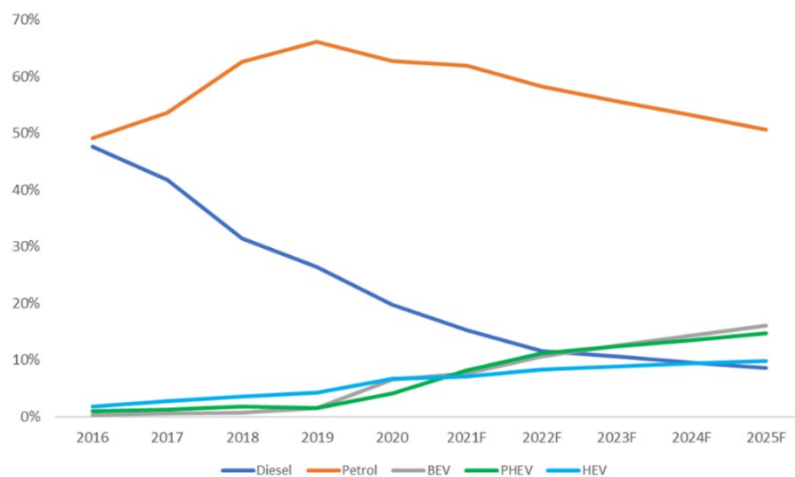
There will still be variations by sector and fuel type. Convertibles are expected to fall by more than seasonal averages as we head towards winter, as dealer demand turns to other vehicles. Similarly, many Sports models have increased by so much that any softening of consumer demand is likely to result in decreases in used values by more than the market average.

### Supply side factors

New forecast for new car registrations from the SMMT was updated in July from 1.83 million to 1.82mm. The chart below displays our own forecasts: 2021 1.902mm, 2022 2.162mm, 2023 2.270. Our forecast was revised down from 1.965mm once it was clear that dealerships would not be opening during March and remains under review, but the 12-month rolling total in June increased to 1.88mm and appeared on track to meet our estimate. New car supply issues impacted the July & August totals by more than expected and so the forecast is currently under review and should be expected to decrease once September sales data is published. Subject to the recovery of the economy, we expect that registrations will gradually increase to a level above 2.3M registrations a year, but not reaching the peaks seen in 2016.



The chart below shows the forecast market share split by fuel type. Petrol and Diesel volumes include mild hybrids. The decline in diesel will continue but slow down since it will remain the right choice for a minority of drivers.



Growth will be led by battery electric vehicles (BEVs) which we expect to become the dominant AFV type by 2023. Post-Covid driving patterns (shorter and few journeys due to the increase of home working and online meetings) are likely to add to demand. The government's proposal to ban new ICE cars from 2030 will also be part of this increase, provided enough vehicle supply is made available and investment in charging infrastructure keep pace with demand.

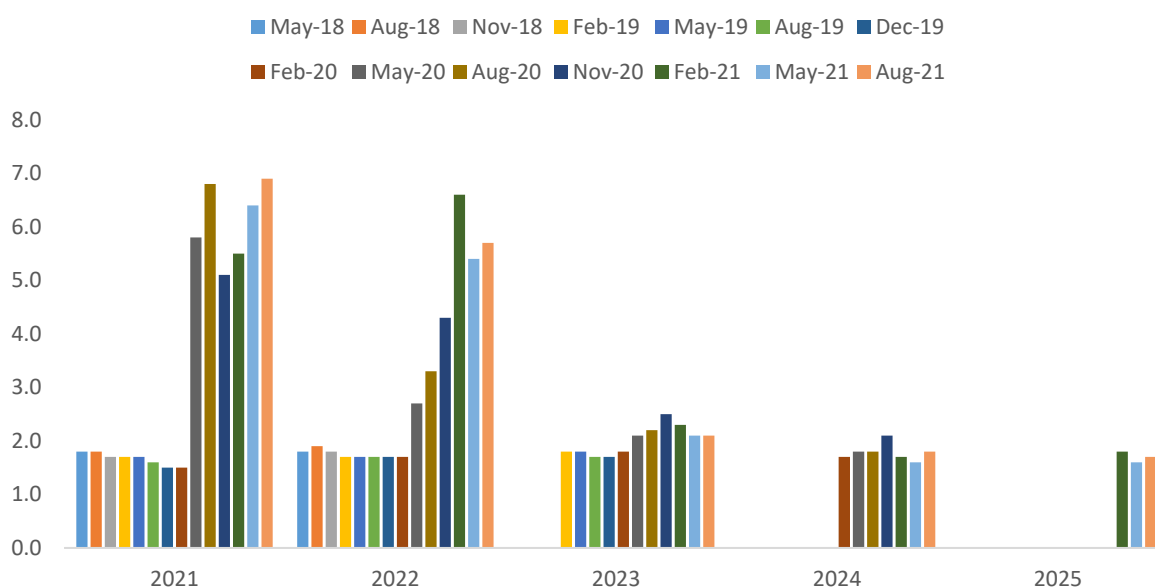
### Demand side factors

Latest independent forecasts for the UK economy were published on 25th August and show some minor improvement to forecasts for GDP this year, but with the average of +6.9% (vs. 6.4% in May) remaining slightly below the Bank of England estimate of +7.2%. The 2022/3 estimates remain unchanged and longer-term GDP recovery remains subdued, despite increases of +0.1% for 2024/5 compared to the May forecasts.

Although the forecast for GDP has decreased for 2021, the BoE view is now that there are "two-sided risks" in the medium term (previously they were "heavily skewed to the downside"). The outlook remains "uncertain", with their 'fan charts' as widely spaced as they have ever been.

The chart below shows the latest GDP forecasts for 2020-2025, alongside previous forecasts.

### GDP Forecasts



The latest unemployment forecasts continue to show a longer, flatter curve, with unemployment expected to peak at 5.4% over the next two years (rather than peaking this year); then taking several years to return close to pre-Covid-19 levels. This clearly reflects the impact of the extension to the government measures to support businesses in general and the furlough scheme in particular.

Inflation is now set to peak at 4.5% in 2022 (although our expectation has been for it to be higher) and the BoE do not now expect it to come back below target until at least 2023. Base rates are forecast to remain low, but our conclusion is that consumer confidence and willingness to pay for big ticket items such as replacement cars, may be limited in the medium term due to the reduced growth and increased unemployment. A significant

proportion of consumers have built up considerable savings, but many will be cautious about their future economic stability and others have reduced financial circumstances as a result of the pandemic. The BoE's surveys suggest that only 10% of accumulated savings will be spent and 75% of households do not intend to spend any at all.

### **3. Historic Forecast Accuracy**

Since the introduction of gold book at the end of 2013, we have been able to track the accuracy of historic forecasts against current (black book) values. This tracking is longest for 12-month forecasts (tracked since January 2015) and shortest for 60-month forecasts (tracked since January 2019).

Overall, we are satisfied that accuracy results are generally been within the +/- 5% target agreed with customers but recognise that results were affected by the unexpected strength of petrol values, which started in 2017 as a result of anti-diesel press, but which fell away since late 2018, as we had always predicted. Diesel forecast accuracy has generally been within target, while petrol forecast accuracy fell outside of target during the period of strong values.

In the past 12 months, our historic forecast accuracy was impacted by the strength of the used market after dealerships re-opened after the first COVID lockdown. The pausing of the market followed by significant strength on resumption (at a time when we would normally expect to see depreciation in each month) resulted in a significant short-term shift in accuracy.

Therefore, the tracking charts below all show the same general patterns, with the difference to target being less for 12-month forecasts (reforecast most recently); and being more for longer term forecasts (reforecast less recently).

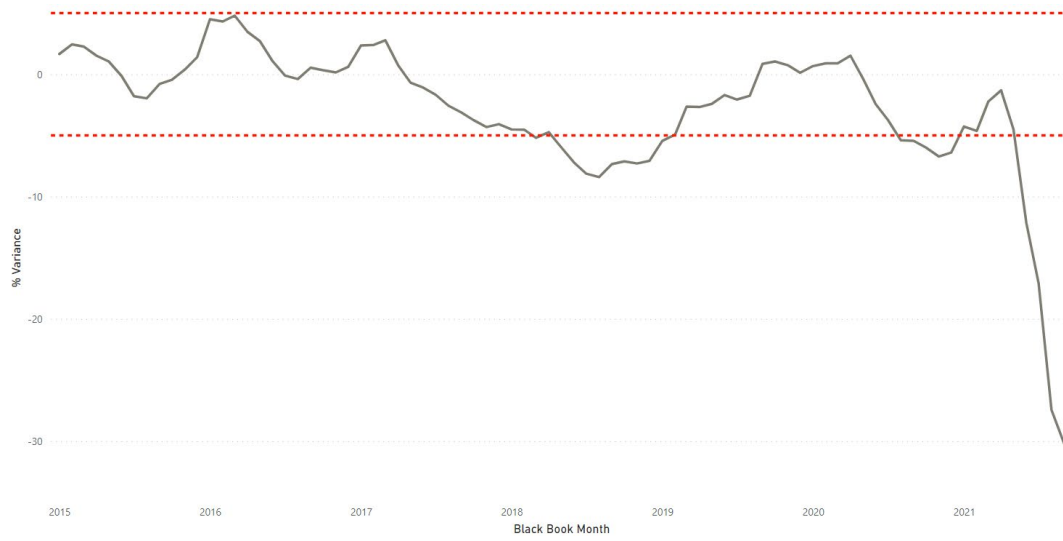
Clearly, the current unprecedented strength in the used car market is also resulting in further short-term deterioration in accuracy.

Details are shown below for 12 and 36 months, but all details are available on request.

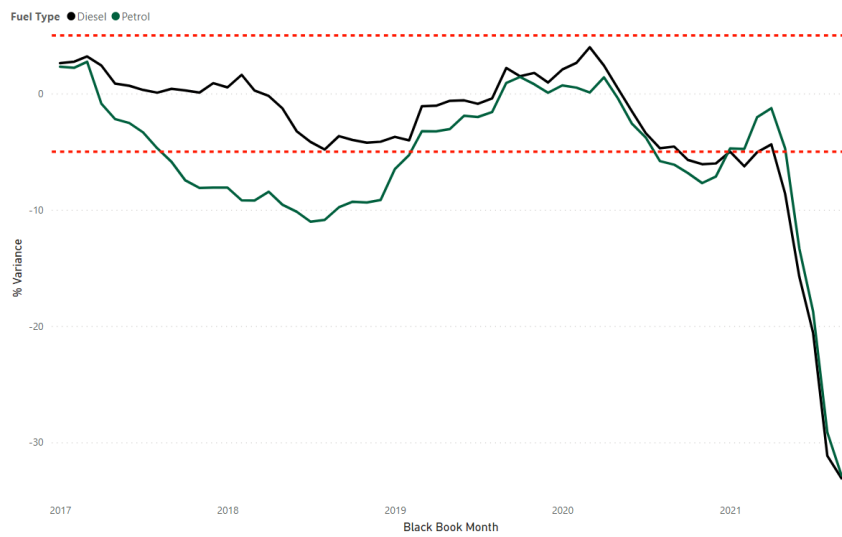
#### **12-month results**

Since measurement began our 12-month forecasts have averaged -2.7% less than used values across all vehicle ids, and the most recent results show September 2020 12/20 forecasts being -30.2% less than September 2021 12/20 used values (unsurprising following record breaking 36/60 used value increases of +29% within six months).

Overall results:

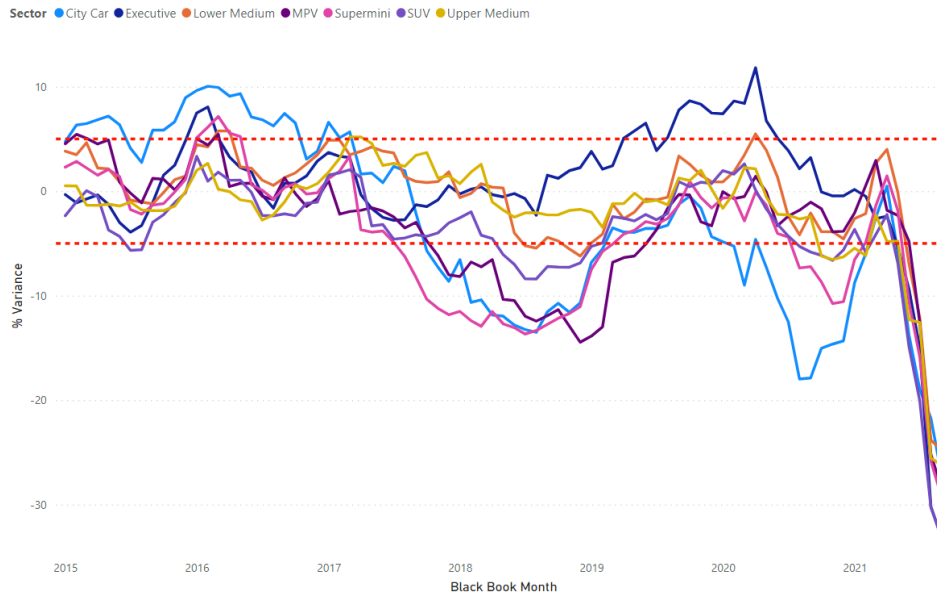


Fuel Type Results





Sector Results:



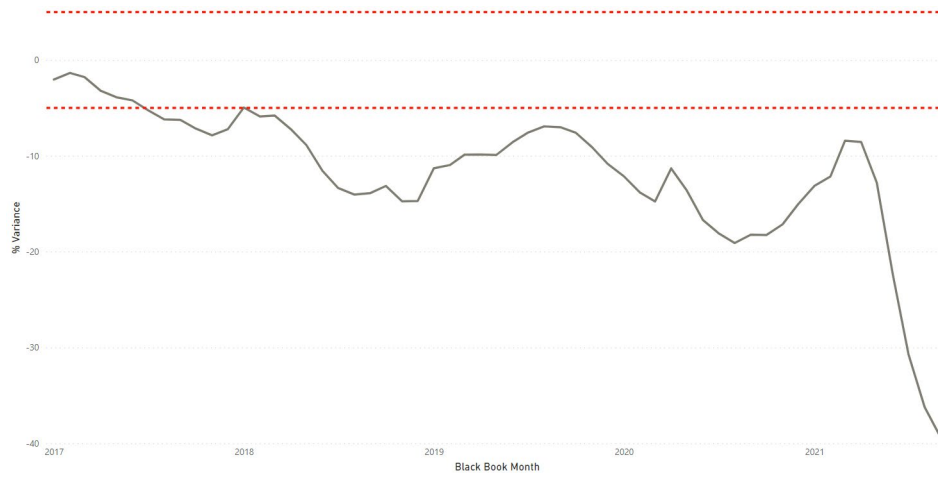
The most recent results for the main sectors are as follows:

Sept-21	
City Car	-27.4%
Executive	-33.2%
Lower Medium	-24.8%
MPV	-28.6%
Supermini	-29.4%
SUV	-33.3%
Upper Medium	-26.2%

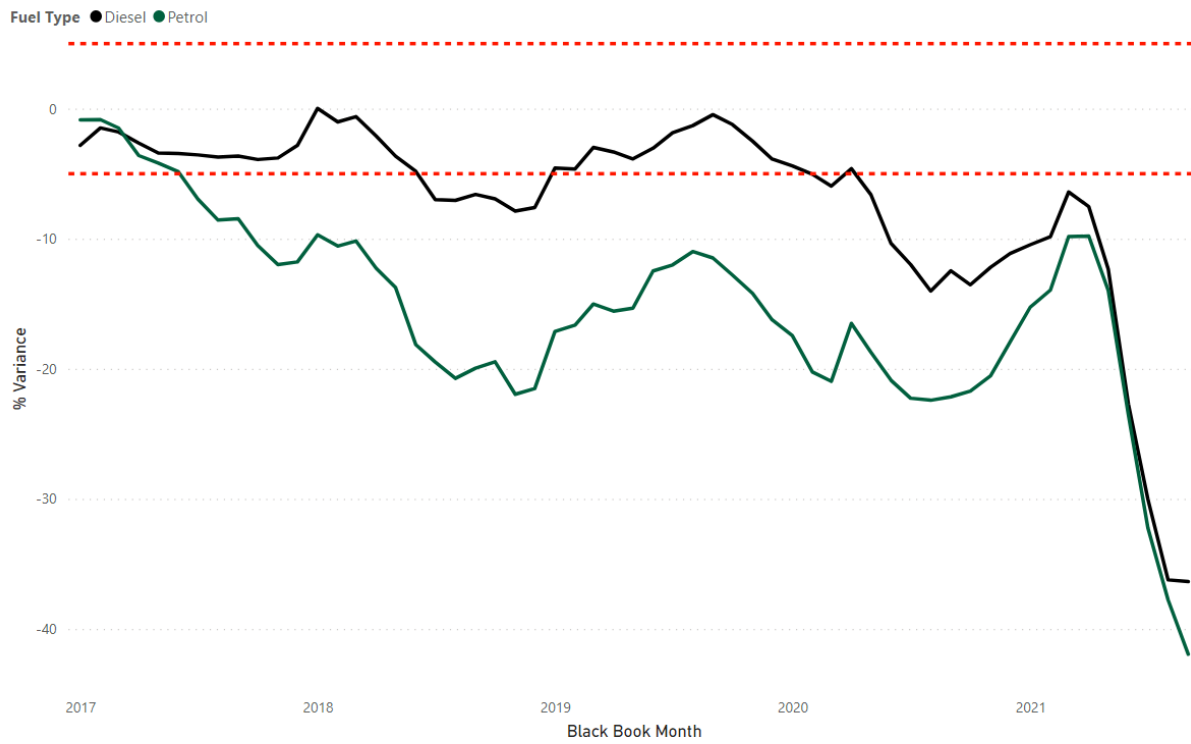
**36-month results**

Since measurement started our 36-month forecasts have averaged -11.7% less than black book across all vehicle ids (with the average now skewed by recent results). The most recent results show September 2018 36/60 gold book forecasts being -39.4% less than September 2021 36/60 used values.

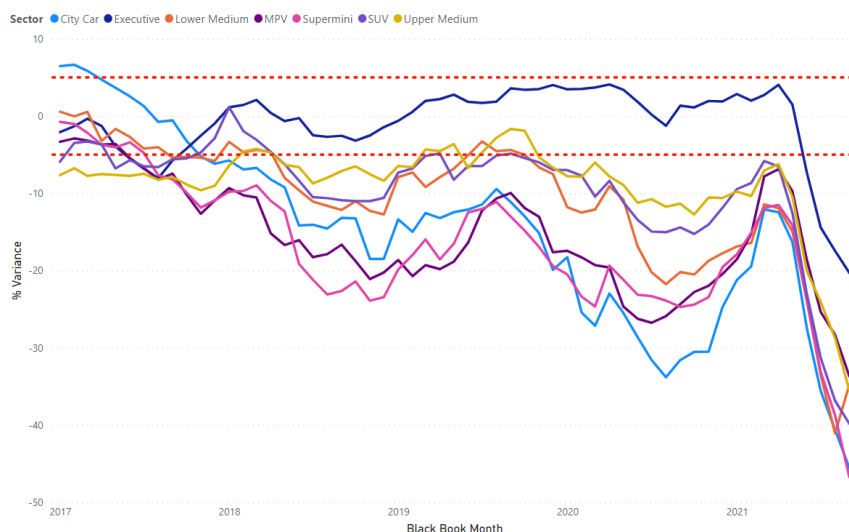
Overall results:



Fuel Type results:



Sector results:



The most recent results for the main sectors are as follows:

Sept-21	
City Car	-45.6%
Executive	-20.3%
Lower Medium	-34.7%
MPV	-33.7%
Supermini	-46.8%
SUV	-39.8%
Upper Medium	-35.5%

#### 4. Forecast Methodology & Products

##### Overview & gold book iQ

Our values take current month used values as a starting point (uplifted for model changes where necessary), are moved forward according to age/sector/fuel specific year on year deflation assumptions regarding future used car price movements and are then subjected to additional adjustments by the Editorial Team. Finally, the values are moved forward by the next month's seasonality adjustments which are differentiated by sector and fuel type and are based on analysis of historical used value movements.

All these assumptions and adjustments are available for scrutiny to our customers through our gold book iQ product: complete transparency in automotive forecasting.

Changes may be actioned wherever there is reason to do so outside of the sector reforecast process and we continue our monthly inter-product analysis with our used value colleagues exactly as before.

### **Short Term Forecast (0-12 months)**

Our short-term forecast product, (covering 0-12 months) was launched in 2014. This is a live, researched product with a dedicated editor and filled a gap in our historical forecast coverage.

### **Forecast Daily Feed**

In December 2017 we introduced a daily feed of forecasts for new models launched onto the market, so that customers do not have to wait until the next month to receive these forecasts.

### **Forecast Output**

Individual forecasts are provided in pounds and percentage of list price for periods of twelve to sixty months with mileage calculations up to 200,000. Each forecast is shown in grid format with specific time and mileage bands highlighted for ease of use.

All forecast values include VAT and relate to a cap hpi clean condition and in a desirable colour.

All new car prices in forecast data include VAT and delivery.

### **Parallel Imports**

Particular care must be taken when valuing parallel imports. Vehicles are often described as full UK specification when the reality is somewhat different. These vehicles should be inspected to ensure that the vehicle specification is correct for the UK. Parallel imports that are full UK specification and first registered in the UK can be valued the same as a UK-sourced vehicle.

### **Grey Imports**

cap hpi gold book does not include valuations for any grey import vehicles, (i.e., those not available on an official UK price list)

## 5. Reforecast Calendar 2021/22

We previously accelerated our calendar of sector reforecasts, to ensure that forecasts for all sectors incorporate the latest views of the future market in this fast-changing environment. The table below shows our future schedule of sector reforecasts:

Monthly Product	Sector 1	Sector 2	Sector 3	Sector 4
<b>Nov-21</b>	Upper Medium	Executive	Large Executive	Luxury Executive
<b>Dec-21</b>	Lower Medium	MPV		
<b>Jan-22</b>	Convertible	Coupe Cabriolet	Sports	Supercar
<b>Feb-22</b>	SUV			
<b>Mar-22</b>	City Car	Supermini		
<b>Apr-22</b>	Upper Medium	Executive	Large Executive	Luxury Executive
<b>May-22</b>	Lower Medium	MPV		
<b>Jun-22</b>	Convertible	Sports	Supercar	
<b>Jul-22</b>	SUV			
<b>Aug-22</b>	City Car	Supermini		
<b>Sep-22</b>	Upper Medium	Executive	Large Executive	Luxury Executive
<b>Oct-22</b>	Lower Medium	MPV		